



# The State of Delaware

## Considerations for FY18 Changes

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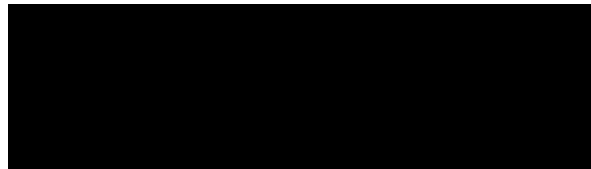
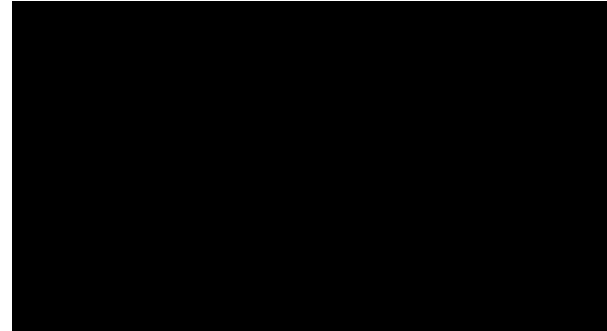
April 10, 2017

# Contents

- Member cost sharing considerations for 1/1/2018
  - Active employees & non-Medicare pensioners – premium changes
  - Active employees & non-Medicare pensioners – plan design changes
  - Medicare pensioners – plan design changes
- Centers of Excellence
- Incentive Approaches

## Considerations for Member Cost Sharing

Opportunities for 1/1/18 and later



# Background

## Overview

- In order to support the GHIP's strategic framework, Willis Towers Watson (WTW) and the State of Delaware have partnered to identify opportunities to reduce future health care expenditures while creating better health care consumers and ultimately improving the health of the GHIP population
- Opportunities to achieve these goals within the GHIP strategic framework include:
  - Increasing member cost sharing through employee payroll contributions / pensioner premiums to closer align with market norms
  - Increasing member cost sharing through plan design changes to encourage informed health care consumerism
- Included within this document are the following potential cost sharing and plan design changes and associated FY18 savings based on a 1/1/2018 implementation date:
  - Increasing active and pre-65 retiree premium cost sharing by 1%, 2% and 3%
  - Eliminating the Special Medicfill contribution inequity
  - Adding deductibles (ranging from \$50/\$100 single/family to \$500/\$1,000) to the HMO and PPO plans
  - Adding deductibles and/or copays to the Medicfill plan

## Premium cost share savings – active and pre-65 retirees

### State/General Fund impact

- The following table illustrates the FY18 savings associated with 1%, 2% and 3% increases in the overall active/pre-65 retiree cost share effective 1/1/2018:

Fund Category <sup>1</sup>	FY18 Status Quo Contributions	1% Increase		2% Increase		3% Increase	
		Contributions	State Savings	Contributions	State Savings	Contributions	State Savings
General Fund	\$47.2 M	\$49.4 M	\$2.2 M	\$51.6 M	\$4.4 M	\$53.8 M	\$6.6 M
Non-General Fund	\$13.5 M	\$14.1 M	\$0.6 M	\$14.8 M	\$1.3 M	\$15.4 M	\$1.9 M
Unaffiliated	\$11.0 M	\$11.5 M	\$0.5 M	\$12.0 M	\$1.0 M	\$12.5 M	\$1.5 M
<b>Total GHIP</b>	<b>\$71.7 M</b>	<b>\$75.0 M</b>	<b>\$3.4 M</b>	<b>\$78.4 M</b>	<b>\$6.7 M</b>	<b>\$81.7 M</b>	<b>\$10.1 M</b>
<i>Active/Pre-65 Premium Cost Share</i>	10.6%	11.6%		12.6%		13.6%	

- Current active/pre-65 retiree premium cost share is 10.6%; increases shown above moves cost sharing in the direction towards market norms
  - 2016 Willis Towers Watson Health Care Financial Benchmarks Survey (FBS) indicates a median cost share of 22.2% for general industry and 20.0% for Education and Government/Public Sector participants

<sup>1</sup> Splits calculated using GHIP group percentages based on Truven census and actual Fiscal Year 2016 Premium Contributions and Revenue as reported by OMB Financial Operations/PHRST

## Premium cost share savings – active and pre-65 retirees

### Employee/pensioner impact

- The following table illustrates the 1/1/2018 change in employee/pensioner contributions for each shift in active/pre-65 retiree cost share
  - Assumes a uniform increase across all plans (i.e., a 1% increase in active/pre-65 retiree cost share increases current contributions for all plans and coverage tiers by 9.4%)

Employee/Pensioner Monthly Contribution	FY18 Status Quo Contribution	+1% Increase		+2% Increase		+3% Increase	
		Contribution	\$ Difference	Contribution	\$ Difference	Contribution	\$ Difference
<b>First State Basic<sup>1</sup></b>	<b>4.00%</b>	<b>4.38%</b>		<b>4.76%</b>		<b>5.13%</b>	
Employee	\$27.84	\$30.46	\$2.62	\$33.07	\$5.23	\$35.69	\$7.85
Employee & Spouse	\$57.52	\$62.92	\$5.40	\$68.33	\$10.81	\$73.73	\$16.21
Employee & Child(ren)	\$42.26	\$46.23	\$3.97	\$50.20	\$7.94	\$54.17	\$11.91
Family	\$71.92	\$78.68	\$6.76	\$85.44	\$13.52	\$92.19	\$20.27
<b>CDH Gold<sup>1</sup></b>	<b>5.00%</b>	<b>5.47%</b>		<b>5.94%</b>		<b>6.41%</b>	
Employee	\$35.98	\$39.36	\$3.38	\$42.74	\$6.76	\$46.12	\$10.14
Employee & Spouse	\$74.58	\$81.59	\$7.01	\$88.60	\$14.02	\$95.60	\$21.02
Employee & Child(ren)	\$54.96	\$60.12	\$5.16	\$65.29	\$10.33	\$70.45	\$15.49
Family	\$94.78	\$103.69	\$8.91	\$112.59	\$17.81	\$121.50	\$26.72
<b>HMO<sup>1</sup></b>	<b>6.50%</b>	<b>7.11%</b>		<b>7.72%</b>		<b>8.33%</b>	
Employee	\$47.16	\$51.59	\$4.43	\$56.02	\$8.86	\$60.45	\$13.29
Employee & Spouse	\$99.50	\$108.85	\$9.35	\$118.20	\$18.70	\$127.55	\$28.05
Employee & Child(ren)	\$72.18	\$78.96	\$6.78	\$85.74	\$13.56	\$92.53	\$20.35
Family	\$124.12	\$135.78	\$11.66	\$147.45	\$23.33	\$159.11	\$34.99
<b>PPO<sup>1</sup></b>	<b>13.25%</b>	<b>14.49%</b>		<b>15.74%</b>		<b>16.98%</b>	
Employee	\$105.18	\$115.06	\$9.88	\$124.95	\$19.77	\$134.83	\$29.65
Employee & Spouse	\$218.26	\$238.77	\$20.51	\$259.28	\$41.02	\$279.79	\$61.53
Employee & Child(ren)	\$162.08	\$177.31	\$15.23	\$192.54	\$30.46	\$207.77	\$45.69
Family	\$272.86	\$298.50	\$25.64	\$324.14	\$51.28	\$349.78	\$76.92

<sup>1</sup> Percentages shown represent the employee/pensioner share of plan premium

## Plan design savings – active and pre-65 retirees

### State/General Fund impact

- The following table illustrates the FY18 State and GHIP savings associated with adding deductibles to the HMO and PPO plans effective 1/1/2018:

Deductible (single/family)	FY18 Savings by Fund Category <sup>1</sup>							
	General Fund		Non-General Fund		Unaffiliated		Total GHIP	
	State	Total	State	Total	State	Total	State	Total
\$50 / \$100	\$0.7 M	\$0.8 M	\$0.2 M	\$0.2 M	\$0.2 M	\$0.2 M	\$1.2 M	\$1.3 M
\$100 / \$200	\$1.4 M	\$1.6 M	\$0.4 M	\$0.5 M	\$0.3 M	\$0.4 M	\$2.1 M	\$2.4 M
\$150 / \$300	\$2.1 M	\$2.3 M	\$0.6 M	\$0.7 M	\$0.5 M	\$0.6 M	\$3.2 M	\$3.5 M
\$200 / \$400	\$2.8 M	\$3.1 M	\$0.8 M	\$0.9 M	\$0.7 M	\$0.8 M	\$4.3 M	\$4.8 M
\$250 / \$500	\$3.4 M	\$3.8 M	\$1.0 M	\$1.1 M	\$0.8 M	\$0.9 M	\$5.2 M	\$5.8 M
\$500 / \$1000	\$6.0 M	\$6.7 M	\$1.8 M	\$2.0 M	\$1.5 M	\$1.7 M	\$9.2 M	\$10.3 M

Note: savings from adding deductibles are partially offset by a reduction in premium revenue since employee/pensioner contributions are a percentage of plan premium

<sup>1</sup> Splits calculated using GHIP group percentages based on Truven census and actual Fiscal Year 2016 Premium Contributions and Revenue as reported by OMB Financial Operations/PHRST



## 1/1/2018 rates with \$50 / \$100 deductible for HMO and PPO plans

Deductible Rate Impact: -0.16%	FY18 Status Quo (7/1/2017 – 12/31/2017)			\$50 / \$100 Deductible (1/1/2018 – 6/30/2018) <sup>1</sup>			
	Monthly Rate	State Subsidy	Employee Share	Monthly Rate	State Subsidy	Employee Share	\$ Difference (Employee)
<b>First State Basic</b>							
Employee	\$695.36	\$667.52	\$27.84	\$694.25	\$666.48	\$27.77	-\$0.07
Employee & Spouse	\$1,438.68	\$1,381.16	\$57.52	\$1,436.38	\$1,378.93	\$57.46	-\$0.06
Employee & Child(ren)	\$1,057.02	\$1,014.76	\$42.26	\$1,055.33	\$1,013.12	\$42.21	-\$0.05
Family	\$1,798.42	\$1,726.50	\$71.92	\$1,795.55	\$1,723.73	\$71.82	-\$0.10
<b>CDH Gold</b>							
Employee	\$719.68	\$683.70	\$35.98	\$718.53	\$682.61	\$35.93	-\$0.05
Employee & Spouse	\$1,492.22	\$1,417.64	\$74.58	\$1,489.84	\$1,415.35	\$74.49	-\$0.09
Employee & Child(ren)	\$1,099.56	\$1,044.60	\$54.96	\$1,097.81	\$1,042.91	\$54.89	-\$0.07
Family	\$1,895.74	\$1,800.96	\$94.78	\$1,892.71	\$1,798.08	\$94.64	-\$0.14
<b>HMO</b>							
Employee	\$725.94	\$678.78	\$47.16	\$724.78	\$677.67	\$47.11	-\$0.05
Employee & Spouse	\$1,530.58	\$1,431.08	\$99.50	\$1,528.14	\$1,428.81	\$99.33	-\$0.17
Employee & Child(ren)	\$1,110.52	\$1,038.34	\$72.18	\$1,108.75	\$1,036.68	\$72.07	-\$0.11
Family	\$1,909.82	\$1,785.70	\$124.12	\$1,906.77	\$1,782.83	\$123.94	-\$0.18
<b>PPO</b>							
Employee	\$793.86	\$688.68	\$105.18	\$792.59	\$687.58	\$105.02	-\$0.16
Employee & Spouse	\$1,647.34	\$1,429.08	\$218.26	\$1,644.71	\$1,426.79	\$217.92	-\$0.34
Employee & Child(ren)	\$1,223.46	\$1,061.38	\$162.08	\$1,221.51	\$1,059.66	\$161.85	-\$0.23
Family	\$2,059.40	\$1,786.54	\$272.86	\$2,056.11	\$1,783.68	\$272.43	-\$0.43
<b>POS</b>							
Employee	\$601.74	\$601.74	\$0.00	\$600.78	\$600.78	\$0.00	\$0.00
Employee & Spouse	\$1,490.58	\$1,490.58	\$0.00	\$1,488.20	\$1,488.20	\$0.00	\$0.00
Employee & Child(ren)	\$905.58	\$905.58	\$0.00	\$904.13	\$904.13	\$0.00	\$0.00
Family	\$1,505.40	\$1,505.40	\$0.00	\$1,503.00	\$1,503.00	\$0.00	\$0.00

<sup>1</sup> Consistent with past State rating methodology, rate reductions applied uniformly to all plans and coverage tiers except POS (0.2% reduction)



## 1/1/2018 rates with \$100 / \$200 deductible for HMO and PPO plans

Deductible Rate Impact: <b>-0.30%</b>	FY18 Status Quo (7/1/2017 – 12/31/2017)			\$100 / \$200 Deductible (1/1/2018 – 6/30/2018) <sup>1</sup>			
	Monthly Rate	State Subsidy	Employee Share	Monthly Rate	State Subsidy	Employee Share	\$ Difference (Employee)
<b>First State Basic</b>							
Employee	\$695.36	\$667.52	\$27.84	\$693.30	\$665.57	\$27.73	-\$0.11
Employee & Spouse	\$1,438.68	\$1,381.16	\$57.52	\$1,434.43	\$1,377.05	\$57.38	-\$0.14
Employee & Child(ren)	\$1,057.02	\$1,014.76	\$42.26	\$1,053.90	\$1,011.74	\$42.16	-\$0.10
Family	\$1,798.42	\$1,726.50	\$71.92	\$1,793.10	\$1,721.38	\$71.72	-\$0.20
<b>CDH Gold</b>							
Employee	\$719.68	\$683.70	\$35.98	\$717.55	\$681.68	\$35.88	-\$0.10
Employee & Spouse	\$1,492.22	\$1,417.64	\$74.58	\$1,487.81	\$1,413.42	\$74.39	-\$0.19
Employee & Child(ren)	\$1,099.56	\$1,044.60	\$54.96	\$1,096.31	\$1,041.49	\$54.82	-\$0.14
Family	\$1,895.74	\$1,800.96	\$94.78	\$1,890.14	\$1,795.63	\$94.51	-\$0.27
<b>HMO</b>							
Employee	\$725.94	\$678.78	\$47.16	\$723.79	\$676.75	\$47.05	-\$0.11
Employee & Spouse	\$1,530.58	\$1,431.08	\$99.50	\$1,526.06	\$1,426.86	\$99.19	-\$0.31
Employee & Child(ren)	\$1,110.52	\$1,038.34	\$72.18	\$1,107.24	\$1,035.27	\$71.97	-\$0.21
Family	\$1,909.82	\$1,785.70	\$124.12	\$1,904.17	\$1,780.40	\$123.77	-\$0.35
<b>PPO</b>							
Employee	\$793.86	\$688.68	\$105.18	\$791.51	\$686.64	\$104.88	-\$0.30
Employee & Spouse	\$1,647.34	\$1,429.08	\$218.26	\$1,642.47	\$1,424.84	\$217.63	-\$0.63
Employee & Child(ren)	\$1,223.46	\$1,061.38	\$162.08	\$1,219.84	\$1,058.21	\$161.63	-\$0.45
Family	\$2,059.40	\$1,786.54	\$272.86	\$2,053.31	\$1,781.25	\$272.06	-\$0.80
<b>POS</b>							
Employee	\$601.74	\$601.74	\$0.00	\$599.96	\$599.96	\$0.00	\$0.00
Employee & Spouse	\$1,490.58	\$1,490.58	\$0.00	\$1,486.17	\$1,486.17	\$0.00	\$0.00
Employee & Child(ren)	\$905.58	\$905.58	\$0.00	\$902.90	\$902.90	\$0.00	\$0.00
Family	\$1,505.40	\$1,505.40	\$0.00	\$1,500.95	\$1,500.95	\$0.00	\$0.00

<sup>1</sup> Consistent with past State rating methodology, rate reductions applied uniformly to all plans and coverage tiers except POS (0.3% reduction)

## 1/1/2018 rates with \$150 / \$300 deductible for HMO and PPO plans

Deductible Rate Impact: <b>-0.44%</b>	FY18 Status Quo (7/1/2017 – 12/31/2017)			\$150 / \$300 Deductible (1/1/2018 – 6/30/2018) <sup>1</sup>			
	Monthly Rate	State Subsidy	Employee Share	Monthly Rate	State Subsidy	Employee Share	\$ Difference (Employee)
<b>First State Basic</b>							
Employee	\$695.36	\$667.52	\$27.84	\$692.31	\$664.62	\$27.69	-\$0.15
Employee & Spouse	\$1,438.68	\$1,381.16	\$57.52	\$1,432.37	\$1,375.07	\$57.29	-\$0.23
Employee & Child(ren)	\$1,057.02	\$1,014.76	\$42.26	\$1,052.38	\$1,010.29	\$42.10	-\$0.16
Family	\$1,798.42	\$1,726.50	\$71.92	\$1,790.53	\$1,718.91	\$71.62	-\$0.30
<b>CDH Gold</b>							
Employee	\$719.68	\$683.70	\$35.98	\$716.52	\$680.70	\$35.83	-\$0.15
Employee & Spouse	\$1,492.22	\$1,417.64	\$74.58	\$1,485.67	\$1,411.39	\$74.28	-\$0.30
Employee & Child(ren)	\$1,099.56	\$1,044.60	\$54.96	\$1,094.73	\$1,040.00	\$54.74	-\$0.22
Family	\$1,895.74	\$1,800.96	\$94.78	\$1,887.42	\$1,793.05	\$94.37	-\$0.41
<b>HMO</b>							
Employee	\$725.94	\$678.78	\$47.16	\$722.75	\$675.78	\$46.98	-\$0.18
Employee & Spouse	\$1,530.58	\$1,431.08	\$99.50	\$1,523.86	\$1,424.81	\$99.05	-\$0.45
Employee & Child(ren)	\$1,110.52	\$1,038.34	\$72.18	\$1,105.65	\$1,033.78	\$71.87	-\$0.31
Family	\$1,909.82	\$1,785.70	\$124.12	\$1,901.44	\$1,777.85	\$123.59	-\$0.53
<b>PPO</b>							
Employee	\$793.86	\$688.68	\$105.18	\$790.38	\$685.65	\$104.73	-\$0.45
Employee & Spouse	\$1,647.34	\$1,429.08	\$218.26	\$1,640.11	\$1,422.80	\$217.31	-\$0.95
Employee & Child(ren)	\$1,223.46	\$1,061.38	\$162.08	\$1,218.09	\$1,056.69	\$161.40	-\$0.68
Family	\$2,059.40	\$1,786.54	\$272.86	\$2,050.36	\$1,778.69	\$271.67	-\$1.19
<b>POS</b>							
Employee	\$601.74	\$601.74	\$0.00	\$599.10	\$599.10	\$0.00	\$0.00
Employee & Spouse	\$1,490.58	\$1,490.58	\$0.00	\$1,484.04	\$1,484.04	\$0.00	\$0.00
Employee & Child(ren)	\$905.58	\$905.58	\$0.00	\$901.61	\$901.61	\$0.00	\$0.00
Family	\$1,505.40	\$1,505.40	\$0.00	\$1,498.79	\$1,498.79	\$0.00	\$0.00

<sup>1</sup> Consistent with past State rating methodology, rate reductions applied uniformly to all plans and coverage tiers except POS (0.4% reduction)

## 1/1/2018 rates with \$200 / \$400 deductible for HMO and PPO plans

Deductible Rate Impact: -0.60%	FY18 Status Quo (7/1/2017 – 12/31/2017)			\$200 / \$400 Deductible (1/1/2018 – 6/30/2018) <sup>1</sup>			
	Monthly Rate	State Subsidy	Employee Share	Monthly Rate	State Subsidy	Employee Share	\$ Difference (Employee)
<b>First State Basic</b>							
Employee	\$695.36	\$667.52	\$27.84	\$691.20	\$663.55	\$27.65	-\$0.19
Employee & Spouse	\$1,438.68	\$1,381.16	\$57.52	\$1,430.07	\$1,372.87	\$57.20	-\$0.32
Employee & Child(ren)	\$1,057.02	\$1,014.76	\$42.26	\$1,050.69	\$1,008.67	\$42.03	-\$0.23
Family	\$1,798.42	\$1,726.50	\$71.92	\$1,787.66	\$1,716.15	\$71.51	-\$0.41
<b>CDH Gold</b>							
Employee	\$719.68	\$683.70	\$35.98	\$715.37	\$679.60	\$35.77	-\$0.21
Employee & Spouse	\$1,492.22	\$1,417.64	\$74.58	\$1,483.29	\$1,409.13	\$74.16	-\$0.42
Employee & Child(ren)	\$1,099.56	\$1,044.60	\$54.96	\$1,092.98	\$1,038.33	\$54.65	-\$0.31
Family	\$1,895.74	\$1,800.96	\$94.78	\$1,884.40	\$1,790.18	\$94.22	-\$0.56
<b>HMO</b>							
Employee	\$725.94	\$678.78	\$47.16	\$721.60	\$674.69	\$46.90	-\$0.26
Employee & Spouse	\$1,530.58	\$1,431.08	\$99.50	\$1,521.42	\$1,422.53	\$98.89	-\$0.61
Employee & Child(ren)	\$1,110.52	\$1,038.34	\$72.18	\$1,103.87	\$1,032.12	\$71.75	-\$0.43
Family	\$1,909.82	\$1,785.70	\$124.12	\$1,898.39	\$1,775.00	\$123.40	-\$0.72
<b>PPO</b>							
Employee	\$793.86	\$688.68	\$105.18	\$789.11	\$684.55	\$104.56	-\$0.62
Employee & Spouse	\$1,647.34	\$1,429.08	\$218.26	\$1,637.48	\$1,420.52	\$216.97	-\$1.29
Employee & Child(ren)	\$1,223.46	\$1,061.38	\$162.08	\$1,216.14	\$1,055.00	\$161.14	-\$0.94
Family	\$2,059.40	\$1,786.54	\$272.86	\$2,047.08	\$1,775.84	\$271.24	-\$1.62
<b>POS</b>							
Employee	\$601.74	\$601.74	\$0.00	\$598.14	\$598.14	\$0.00	\$0.00
Employee & Spouse	\$1,490.58	\$1,490.58	\$0.00	\$1,481.66	\$1,481.66	\$0.00	\$0.00
Employee & Child(ren)	\$905.58	\$905.58	\$0.00	\$900.16	\$900.16	\$0.00	\$0.00
Family	\$1,505.40	\$1,505.40	\$0.00	\$1,496.39	\$1,496.39	\$0.00	\$0.00

<sup>1</sup> Consistent with past State rating methodology, rate reductions applied uniformly to all plans and coverage tiers except POS (0.6% reduction)

## 1/1/2018 rates with \$250 / \$500 deductible for HMO and PPO plans

Deductible Rate Impact: -0.72%	FY18 Status Quo (7/1/2017 – 12/31/2017)			\$250 / \$500 Deductible (1/1/2018 – 6/30/2018) <sup>1</sup>			
	Monthly Rate	State Subsidy	Employee Share	Monthly Rate	State Subsidy	Employee Share	\$ Difference (Employee)
<b>First State Basic</b>							
Employee	\$695.36	\$667.52	\$27.84	\$690.37	\$662.75	\$27.61	-\$0.23
Employee & Spouse	\$1,438.68	\$1,381.16	\$57.52	\$1,428.35	\$1,371.21	\$57.13	-\$0.39
Employee & Child(ren)	\$1,057.02	\$1,014.76	\$42.26	\$1,049.43	\$1,007.45	\$41.98	-\$0.28
Family	\$1,798.42	\$1,726.50	\$71.92	\$1,785.51	\$1,714.09	\$71.42	-\$0.50
<b>CDH Gold</b>							
Employee	\$719.68	\$683.70	\$35.98	\$714.51	\$678.79	\$35.73	-\$0.25
Employee & Spouse	\$1,492.22	\$1,417.64	\$74.58	\$1,481.50	\$1,407.43	\$74.08	-\$0.50
Employee & Child(ren)	\$1,099.56	\$1,044.60	\$54.96	\$1,091.66	\$1,037.08	\$54.58	-\$0.38
Family	\$1,895.74	\$1,800.96	\$94.78	\$1,882.13	\$1,788.02	\$94.11	-\$0.67
<b>HMO</b>							
Employee	\$725.94	\$678.78	\$47.16	\$720.73	\$673.88	\$46.85	-\$0.31
Employee & Spouse	\$1,530.58	\$1,431.08	\$99.50	\$1,519.59	\$1,420.82	\$98.77	-\$0.73
Employee & Child(ren)	\$1,110.52	\$1,038.34	\$72.18	\$1,102.55	\$1,030.88	\$71.67	-\$0.51
Family	\$1,909.82	\$1,785.70	\$124.12	\$1,896.11	\$1,772.86	\$123.25	-\$0.87
<b>PPO</b>							
Employee	\$793.86	\$688.68	\$105.18	\$788.16	\$683.73	\$104.43	-\$0.75
Employee & Spouse	\$1,647.34	\$1,429.08	\$218.26	\$1,635.51	\$1,418.81	\$216.71	-\$1.55
Employee & Child(ren)	\$1,223.46	\$1,061.38	\$162.08	\$1,214.67	\$1,053.73	\$160.94	-\$1.14
Family	\$2,059.40	\$1,786.54	\$272.86	\$2,044.61	\$1,773.70	\$270.91	-\$1.95
<b>POS</b>							
Employee	\$601.74	\$601.74	\$0.00	\$597.42	\$597.42	\$0.00	\$0.00
Employee & Spouse	\$1,490.58	\$1,490.58	\$0.00	\$1,479.88	\$1,479.88	\$0.00	\$0.00
Employee & Child(ren)	\$905.58	\$905.58	\$0.00	\$899.08	\$899.08	\$0.00	\$0.00
Family	\$1,505.40	\$1,505.40	\$0.00	\$1,494.59	\$1,494.59	\$0.00	\$0.00

<sup>1</sup> Consistent with past State rating methodology, rate reductions applied uniformly to all plans and coverage tiers except POS (0.7% reduction)

## 1/1/2018 rates with \$500 / \$1,000 deductible for HMO and PPO plans

Deductible Rate Impact: -1.28%	FY18 Status Quo (7/1/2017 – 12/31/2017)			\$500 / \$1,000 Deductible (1/1/2018 – 6/30/2018) <sup>1</sup>			
	Monthly Rate	State Subsidy	Employee Share	Monthly Rate	State Subsidy	Employee Share	\$ Difference (Employee)
<b>First State Basic</b>							
Employee	\$695.36	\$667.52	\$27.84	\$686.48	\$659.02	\$27.46	-\$0.38
Employee & Spouse	\$1,438.68	\$1,381.16	\$57.52	\$1,420.31	\$1,363.50	\$56.81	-\$0.71
Employee & Child(ren)	\$1,057.02	\$1,014.76	\$42.26	\$1,043.53	\$1,001.78	\$41.74	-\$0.52
Family	\$1,798.42	\$1,726.50	\$71.92	\$1,775.46	\$1,704.44	\$71.02	-\$0.90
<b>CDH Gold</b>							
Employee	\$719.68	\$683.70	\$35.98	\$710.49	\$674.97	\$35.52	-\$0.46
Employee & Spouse	\$1,492.22	\$1,417.64	\$74.58	\$1,473.17	\$1,399.51	\$73.66	-\$0.92
Employee & Child(ren)	\$1,099.56	\$1,044.60	\$54.96	\$1,085.52	\$1,031.25	\$54.28	-\$0.68
Family	\$1,895.74	\$1,800.96	\$94.78	\$1,871.54	\$1,777.96	\$93.58	-\$1.20
<b>HMO</b>							
Employee	\$725.94	\$678.78	\$47.16	\$716.67	\$670.09	\$46.58	-\$0.58
Employee & Spouse	\$1,530.58	\$1,431.08	\$99.50	\$1,511.04	\$1,412.82	\$98.22	-\$1.28
Employee & Child(ren)	\$1,110.52	\$1,038.34	\$72.18	\$1,096.34	\$1,025.08	\$71.26	-\$0.92
Family	\$1,909.82	\$1,785.70	\$124.12	\$1,885.44	\$1,762.89	\$122.55	-\$1.57
<b>PPO</b>							
Employee	\$793.86	\$688.68	\$105.18	\$783.73	\$679.88	\$103.84	-\$1.34
Employee & Spouse	\$1,647.34	\$1,429.08	\$218.26	\$1,626.31	\$1,410.82	\$215.49	-\$2.77
Employee & Child(ren)	\$1,223.46	\$1,061.38	\$162.08	\$1,207.84	\$1,047.80	\$160.04	-\$2.04
Family	\$2,059.40	\$1,786.54	\$272.86	\$2,033.11	\$1,763.72	\$269.39	-\$3.47
<b>POS</b>							
Employee	\$601.74	\$601.74	\$0.00	\$594.06	\$594.06	\$0.00	\$0.00
Employee & Spouse	\$1,490.58	\$1,490.58	\$0.00	\$1,471.55	\$1,471.55	\$0.00	\$0.00
Employee & Child(ren)	\$905.58	\$905.58	\$0.00	\$894.02	\$894.02	\$0.00	\$0.00
Family	\$1,505.40	\$1,505.40	\$0.00	\$1,486.18	\$1,486.18	\$0.00	\$0.00

<sup>1</sup> Consistent with past State rating methodology, rate reductions applied uniformly to all plans and coverage tiers except POS (1.3% reduction)

## Premium cost share savings – Medicfill

- Pensioners eligible for Medicare that retired prior to July 1, 2012 currently pay no premium contributions for the Medicfill plan
- The State can achieve additional savings through elimination of the contribution inequity for these members
  - This change would require these pensioners to pay a contribution equal to 5% of the Medicfill plan premium
- As of January 2017, there were 21,262 pensioners enrolled in Medicfill paying \$0 in contributions
  - 19,611 enrolled in Special Medicfill with Rx
  - 1,651 enrolled in Special Medicfill with no Rx
- The following table illustrates FY18 savings for elimination of the Special Medicfill contribution inequity effective 1/1/2018:

Plan	Enrollees <sup>1</sup>	Monthly Contribution	FY18 Savings by Fund Category <sup>2</sup>			
			General	Non-General	Unaffiliated	Total GHIP
Special Medicfill with Rx	19,611	\$22.96	\$1.7 M	\$0.8 M	\$0.2 M	\$2.7 M
Special Medicfill no Rx	1,651	\$13.00	\$0.0 M	\$0.0 M	\$0.0 M	\$0.1 M
Total	21,262	n/a	\$1.8 M	\$0.8 M	\$0.2 M	\$2.8 M

<sup>1</sup> Based on January 2017 State share percentage counts provided by OMB

<sup>2</sup> Splits calculated using GHIP group percentages based on Truven census and actual Fiscal Year 2016 Premium Contributions and Revenue as reported by OMB Financial Operations/PHRST.

## Plan design savings – Medicfill

- Medicare retirees have minimal medical cost sharing under the current Medicfill plan
  - Most medical services are currently covered at 100%; any increases in cost sharing through deductibles or copays would create first dollar savings for the State
- The State can achieve savings through increased cost sharing for the Medicfill plan in the form of deductibles and/or copays on specific services
  - Adding deductibles to the Medicfill plan would generate savings but may create significant member disruption
  - Adding copays for specific services such as office (OV), emergency room (ER) and/or inpatient (IP) visits can also generate savings and may be more palatable for retirees
- The following table illustrates FY18 savings for various plan design alternative for the Medicfill plan effective 1/1/2018:

Plan Design	FY18 Savings by Fund Category <sup>1</sup>			
	General Fund	Non-General Fund	Unaffiliated	Total GHIP
\$50 Deductible <sup>2</sup>	\$0.2 M	\$0.1 M	\$0.0 M	\$0.3 M
\$250 Deductible <sup>2</sup>	\$1.0 M	\$0.4 M	\$0.1 M	\$1.5 M
\$10 OV Copay	\$1.0 M	\$0.5 M	\$0.1 M	\$1.5 M
\$150 ER Copay	\$0.6 M	\$0.3 M	\$0.1 M	\$1.0 M
\$100 IP Copay <sup>3</sup>	\$0.3 M	\$0.1 M	\$0.0 M	\$0.5 M

<sup>1</sup> Splits calculated using GHIP group percentages based on Truven census and actual Fiscal Year 2016 Premium Contributions and Revenue as reported by OMB Financial Operations/PHRST.

<sup>2</sup> Illustrated deductibles are per member and apply to hospital benefits only (Part A)

<sup>3</sup> \$100 copay per day to a maximum of \$200



## Plan design savings – Medicfill

- Traditional mechanisms for managing prescription drug cost and utilization in commercial populations (i.e., prior authorization, step therapy, etc.) are not available to plan sponsors with an EGWP population
- Express Scripts (ESI) has developed a new formulary tier available to the State's EGWP population for Non-Preferred Drugs (NPD)
  - Allows for greater management of both brands and high cost generics in a mechanism that has been approved by CMS
- 830 National Drug Codes approved by CMS for non-preferred drug tier
- ESI has modeled the cost impact to members (i.e., savings for the State) under several scenarios in which all or certain classes of NPD would be shifted into a non-preferred drug tier

Cost Shift to Members	EGWP
All Generic Drugs in NPD Tier	\$152,600
Excludes Diabetes	\$127,100
Diabetes Impact	\$25,400

## Plan design savings – Medicfill

Current plan design vs. ESI-modeled plan design

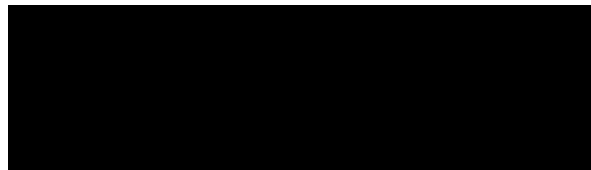
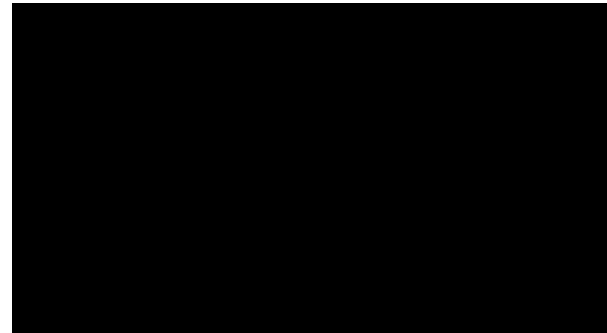
CURRENT		Retail Range 1		Retail Range 2		Mail Range 1		Mail Range 2	
Tier Name	Tier Number	Day Supply Range	Flat	Day Supply Range	Flat	Day Supply Range	Flat	Day Supply Range	Flat
GENERIC	1	1-31	\$8.00	32-90	\$16.00	1-31	\$8.00	32-90	\$16.00
PREFERRED BRAND	2	1-31	\$28.00	32-90	\$56.00	1-31	\$28.00	32-90	\$56.00
NON PREFERRED GENERIC	1	1-31	\$8.00	32-90	\$16.00	1-31	\$8.00	32-90	\$16.00
NON-PREFERRED BRAND	3	1-31	\$50.00	32-90	\$100.00	1-31	\$50.00	32-90	\$100.00

MODELED		Retail Range 1		Retail Range 2		Mail Range 1		Mail Range 2	
Tier Name	Tier Number	Day Supply Range	Flat	Day Supply Range	Flat	Day Supply Range	Flat	Day Supply Range	Flat
GENERIC	1	1-31	\$8.00	32-90	\$16.00	1-31	\$8.00	32-90	\$16.00
PREFERRED BRAND	2	1-31	\$28.00	32-90	\$56.00	1-31	\$28.00	32-90	\$56.00
NON PREFERRED GENERIC	3	1-31	\$50.00	32-90	\$100.00	1-31	\$50.00	32-90	\$100.00
NON-PREFERRED BRAND	3	1-31	\$50.00	32-90	\$100.00	1-31	\$50.00	32-90	\$100.00

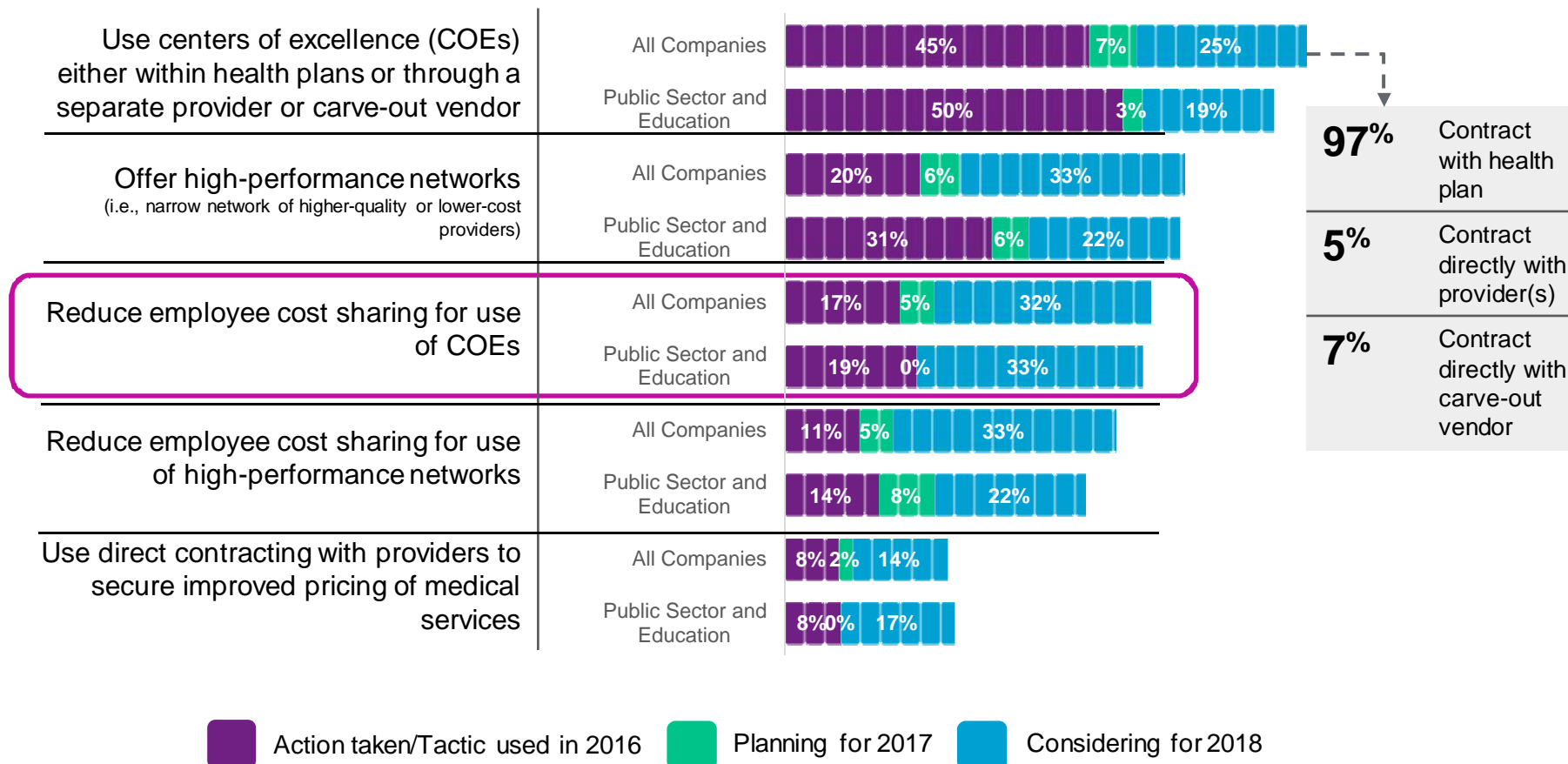
Source: Express Scripts.

## Centers of Excellence

Opportunities for 1/1/18 and later



## The use of centers of excellence and high performance networks continues to grow



Sample: Companies with at least 1,000 employees.

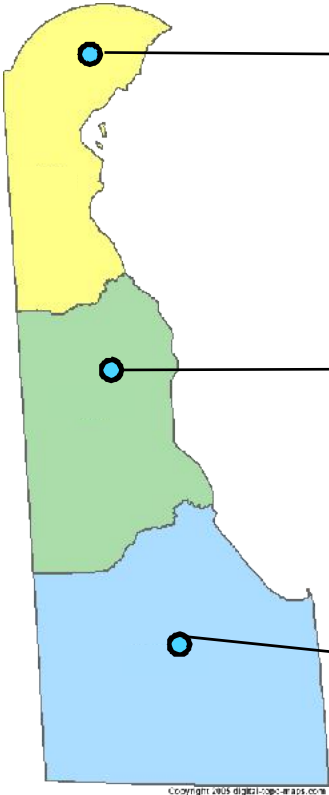
Source: 2016 Willis Towers Watson Best Practices in Health Care Employer Survey.

## Availability of COEs through Aetna and Highmark

- Both Aetna and Highmark designate certain facilities within their provider networks as COEs
- While criteria for determining COE status is similar for both vendors, the areas of specialty care for the various types of COEs differs by vendor
  - Aetna COE definition – facilities that have demonstrated high levels of quality and cost efficiency performing certain procedures
    - **Institutes of Quality** – Bariatric, Cardiac, Orthopedic (joint replacement and spinal surgery)
    - **Institutes of Excellence** – Transplants (organ and bone marrow), Infertility Treatment
  - Highmark COE definition – facilities that deliver high-quality care and superior outcomes for high-risk, high-cost surgical procedures (“Blue Distinction Specialty Care” nationwide quality designation)
    - Specialty areas – Bariatric, Cancer (rare and complex), Cardiac, Maternity, Orthopedic – Knee & hip replacement, Orthopedic – Spinal surgery, Transplants
    - **Blue Distinction Centers (BDC)** – demonstrated quality care, treatment expertise and, overall, better patient results
    - **Blue Distinction Centers+ (BDC+)** – offer more affordable care in addition to having demonstrated quality care, treatment expertise, and, overall, better patient results

# Availability of COEs through Aetna and Highmark

In-network COEs within a 90-minute drive of each Delaware county seat



Aetna	Highmark
<b>Wilmington, DE</b>	
<ul style="list-style-type: none"> <li>▪ Bariatric – 18 total (2 in DE)</li> <li>▪ Cardiac – 7 total (0 in DE)</li> <li>▪ Orthopedic: Joint Replacement – 4 total (0 in DE)</li> <li>▪ Orthopedic: Spine – 8 total (0 in DE)</li> <li>▪ Transplant – 10 total (1 in DE)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Bariatric – 28 total (2 in DE)</li> <li>▪ Cancer – 7 total (0 in DE)</li> <li>▪ Cardiac – 20 total (2 in DE)</li> <li>▪ Maternity – 37 total (2 in DE)</li> <li>▪ Orthopedic: Knee/Hip – 32 total (0 in DE)</li> <li>▪ Orthopedic: Spine – 22 total (2 in DE)</li> <li>▪ Transplant – 9 total (1 in DE)</li> </ul>
<b>Dover, DE</b>	
<ul style="list-style-type: none"> <li>▪ Bariatric – 12 total (2 in DE)</li> <li>▪ Cardiac – 1 total (0 in DE)</li> <li>▪ Orthopedic: Joint Replacement – 1 total (0 in DE)</li> <li>▪ Orthopedic: Spine – 2 total (0 in DE)</li> <li>▪ Transplant – 7 total (1 in DE)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Bariatric – 18 total (2 in DE)</li> <li>▪ Cancer – 4 total (0 in DE)</li> <li>▪ Cardiac – 11 total (2 in DE)</li> <li>▪ Maternity – 24 total (2 in DE)</li> <li>▪ Orthopedic: Knee/Hip – 14 total (0 in DE)</li> <li>▪ Orthopedic: Spine – 13 total (2 in DE)</li> <li>▪ Transplant – 9 total (1 in DE)</li> </ul>
<b>Georgetown, DE</b>	
<ul style="list-style-type: none"> <li>▪ Bariatric – 4 total (2 in DE)</li> <li>▪ Cardiac – 1 total (0 in DE)</li> <li>▪ Orthopedic: Joint Replacement – 0 total</li> <li>▪ Orthopedic: Spine – 0 total</li> <li>▪ Transplant – 1 total (1 in DE)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Bariatric – 4 total (2 in DE)</li> <li>▪ Cancer – 0 total</li> <li>▪ Cardiac – 2 total (2 in DE)</li> <li>▪ Maternity – 5 total (2 in DE)</li> <li>▪ Orthopedic: Knee/Hip – 2 total (0 in DE)</li> <li>▪ Orthopedic: Spine – 3 total (2 in DE)</li> <li>▪ Transplant – 1 total (1 in DE)</li> </ul>

Note: Despite lack of access to an in-network COE within a 90-minute drive, other in-network facilities are available to treat orthopedic conditions and cancer for GHIP members in Sussex County.

## TPA capabilities to encourage use of COEs through plan design

Vendor	Aetna	Highmark
	✓ IOE ✓ IOQ	✓ BDC ✓ BDC+
Deductible Waive for Use of COE	—	✓✓
Waived or Preferred Member Coinsurance for Use of COE	✓	✓✓
Additional Copay for Use of Non-COE for Specialty Care	—	✓✓
Reduced / Non-Preferred Coinsurance for Non-COE	✓	—
Coverage for COEs only (“hard steerage”)	✓✓	✓✓
Notes	<ul style="list-style-type: none"> <li>Benefit design steerage for maternity care is not available</li> </ul>	<ul style="list-style-type: none"> <li>Benefit design steerage for maternity care is not available</li> <li>Condition-specific utilization is not available</li> <li>&lt;1% of Highmark BOB utilizes the benefit steerage strategies noted above</li> </ul>

### Current GHIP Plan Design

#### Transplants

All Aetna and Highmark plans:

- Participating providers:
  - COE facility: Covered at in-network benefit level
  - Non-COE facility: Covered at out-of-network benefit level
- Non-participating providers: Not covered (Highmark plans and Aetna HMO) or covered at out-of-network benefit level (Aetna CDH Gold)

#### Bariatric

All Aetna and Highmark plans:

- Participating providers:
  - COE facility: Covered at in-network benefit level
  - Non-COE facility: Covered at 75% coinsurance (i.e., paid by the plan)
- Non-participating providers: Covered at 55% coinsurance (i.e., paid by the plan)

#### Other Specialty Care

All plans, both vendors: No benefit design differential that would encourage use of a COE



## Travel and lodging benefits can encourage additional COE use

Vendor	Aetna	Highmark
Capability to administer the following plan design changes associated with use / non-use of COE		
Available for all COEs?	No – Excludes infertility	No – Excludes maternity
Benefit is available to offset travel and lodging expenses for whom?	Covered member + 1 companion	Covered member + 1 other adult If covered member < 18 years old, then member + 2 parents
Requirements of the COE where care is provided?	Must be at least 100 miles away from covered member's home for this benefit to apply Care at IOEs (transplants) must be pre-authorized by Aetna	Must be at least 75 miles from covered member's home for this benefit to apply
Covered benefits	Eligible travel and lodging expenses are reimbursable up to a maximum of \$10,000	If COE > 75 miles but < 100 miles from member's home – standard automobile mileage, parking fees and overnight lodging are reimbursable up to \$2,500  If COE > 100 miles from member's home – standard automobile mileage, parking fees, air travel on a commercial airline (round trip, coach) and overnight lodging are reimbursable up to \$5,000
Subject to review and approval?	Yes – By Aetna for care at IOEs (transplants)	Yes – By plan sponsor's benefits department

### Current GHIP Plan Design

#### Transplants

All Aetna plans:

- Travel and lodging benefits in place

All Highmark plans:

- Travel and lodging benefits in place

#### Other Specialty Care

All plans, both vendors:  
No travel and lodging benefit for use of other COEs

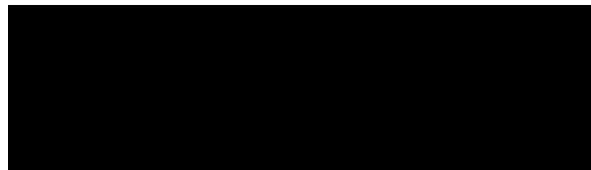
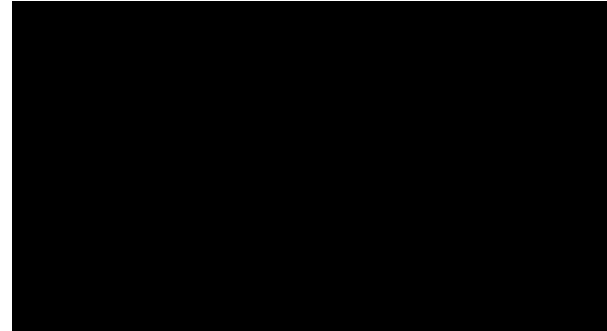
# Considerations for the SEBC

## Centers of Excellence

- Retain benefit differential for Bariatric and Transplants at COEs and non-COE
- Consider creating similar benefit differentials between COEs and non-COE for Cardiac procedures
  - Both Aetna and Highmark have COEs for Cardiac care, and each vendor has at least one Cardiac COE that is reasonably accessible to residents of all three counties in Delaware
- Consider waiving or reducing member cost share for utilization of COEs in other specialty areas, i.e., Cancer, Maternity and Orthopedic (knee/hip replacement and spinal surgery)
- Continue communicating the benefits of selecting a COE for specialty care to plan participants, with greater emphasis on this benefit in the future
- Retain existing travel and lodging benefit provided to transplant patients
- Consider expanding travel and lodging benefit to users of COEs in other specialty areas

## Incentives for Driving Engagement

Opportunities for 1/1/18 and later



## Most employers offer health incentives, but program participation remains low and many employees leave \$\$ on the table

\$880 average incentive offered - \$365 average pay out

### Incentive Uptake

Didn't earn any incentives

40%

Earned some but not all incentives

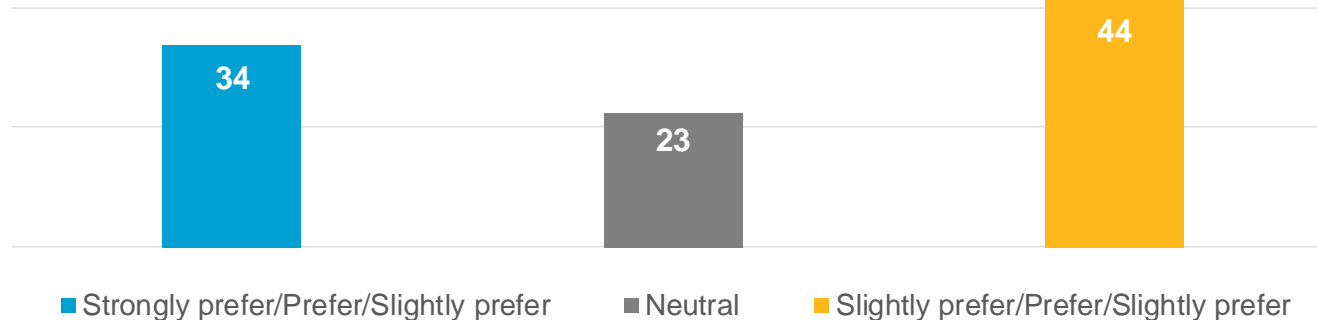
18%

Earned maximum potential incentives

42%

### Employee View

I would participate in a company health initiative without a financial incentive

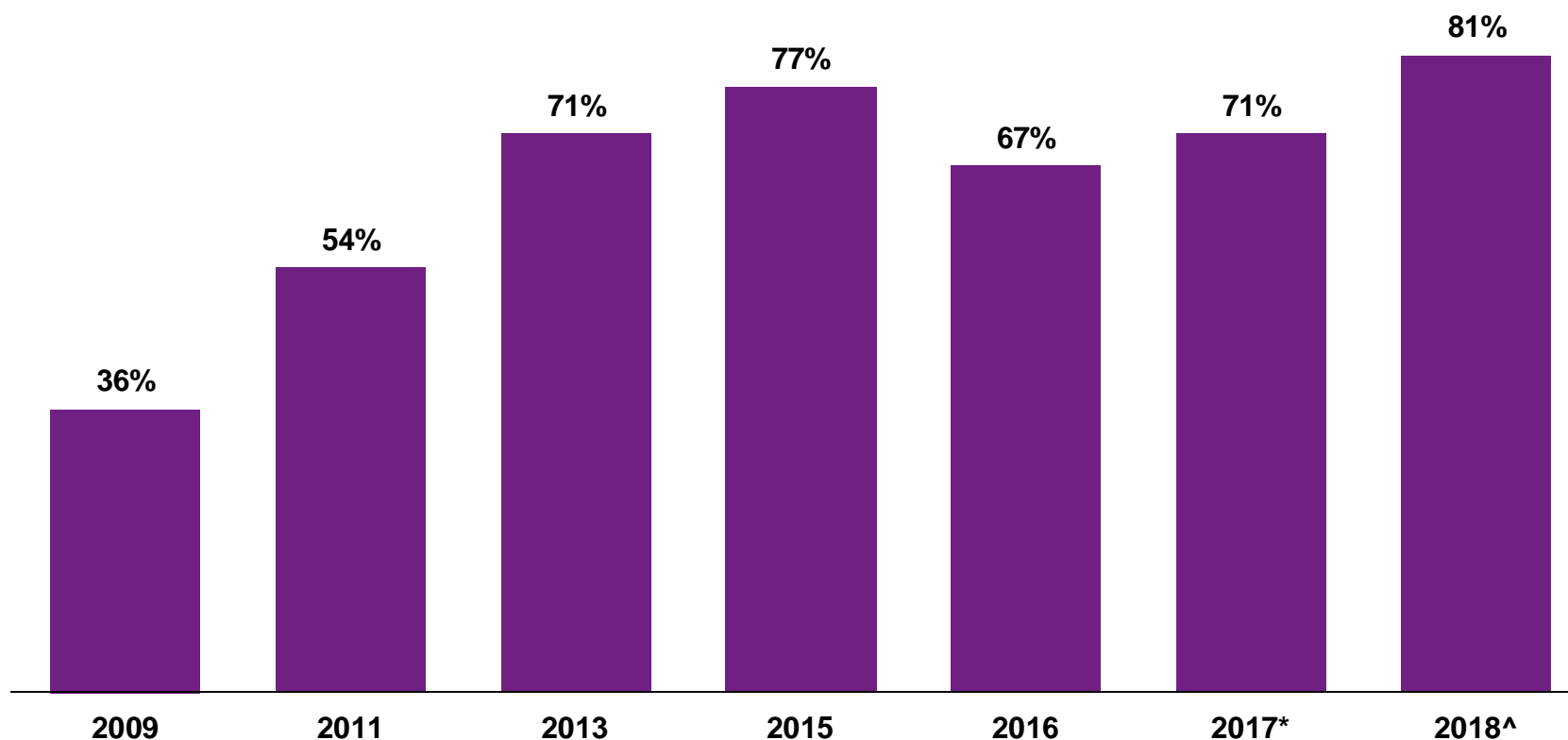


I would only participate in a company health initiative if there was a financial incentive

Source: 2015/2016 Global [Staying@Work](#) Survey & 2015/2016 Global Benefits Attitudes Survey, United States

## Employer interest in incentives remains strong

Offer financial rewards to individuals who participate in health management programs/activities:



Sample: Companies with at least 1,000 employees.

Note: \* Planned in 2017, ^ Considering in 2018.

Years 2009, 2011, 2013, and 2015 are based on prior years of the TW [Staying@Work](#) Survey

Source: 2016 Willis Towers Watson Best Practices in Health Care Employer Survey.

## Employers report they expect incentive systems to change significantly

	2013	2015	2016*	2017/2018^
<b>REWARDS:</b> Use financial rewards for individuals who participate in health management programs/activities	71%	77%	80%	82%
<b>PENALTIES:</b> Use penalties for individuals who don't participate or don't meet requirements of health management programs/activities	26%	27%	30%	42%
<b>TOBACCO SURCHARGE:</b> Reward (or penalize) based on smoker, tobacco-use status (e.g., tobacco surcharge)	42%	44%	46%	58%
<b>BIOMETRIC OUTCOMES:</b> Reward (or penalize) based on biometric outcomes other than smoker, tobacco-use status	16%	18%	22%	52%
<b>FAMILY MATTERS:</b> Apply rewards (or penalties) and/or requirements under your health management programs/activities to employees and spouses alike	28%	36%	40%	61%
<b>PROGRESS-BASED:</b> Design programs to measure and reward individuals for making progress toward a healthy lifestyle	17%	22%	28%	60%
<b>TEAM-BASED:</b> Reward locations or teams that achieve high levels of health engagement	7%	12%	17%	37%
<b>REFRESH:</b> Refresh the incentive strategy annually to encourage trial or new health-related activities	-	24%	39%	61%

Note: \* Planned, ^ Considering

Source: 2015/2016 Global [Staying@Work](#) Survey, United States

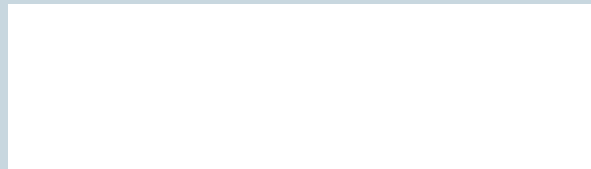
## Considerations for the SEBC

Incentives to drive engagement, healthy behaviors and effective plan utilization

- Potential incentives could include:
  - Offering employees who complete an annual physical an entry into a lottery drawing (for extra vacation day, for medical premium holiday for X months, etc.)
  - Waiving physician office visit copays through the rest of the plan year for adult members (employees and spouses) who complete an annual physical
  - Offering lower copayments for certain drug classes (e.g., diabetes, hypertension, high cholesterol) for members actively engaged with a health coach
  - Introducing a tobacco surcharge (with tobacco cessation coaching program and coverage for OTC/prescription nicotine replacement therapy)
  - Increasing member cost sharing for not using a COE for a procedure when one exists (e.g., for bariatric and cardiac procedures)
  - Running team-based activity challenges (i.e., “10,000 steps”, “biggest loser”) to promote competition among groups of employees (e.g., by worksite) and their spouses (optional)
- With the SEBC’s input, further analysis will be conducted to determine the administrative considerations and cost impact of the incentives of interest to the SEBC

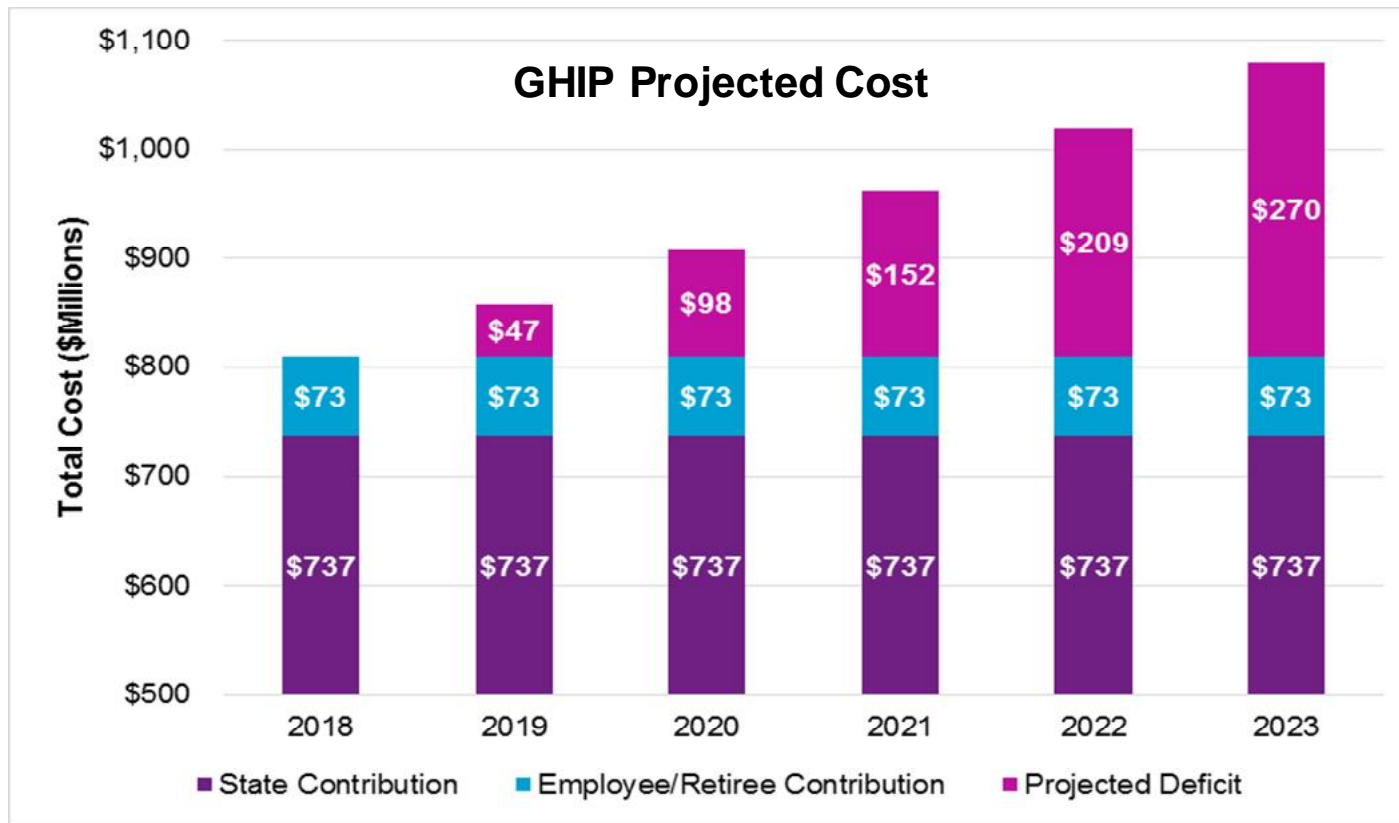


## Appendix



## Long term health care cost projections

Long-term cost projections of the Group Health Insurance Plan, at intermediate trend value of 6%, with no increase in state or employee/retiree contributions factored in for 2018 forward (assuming no program changes)



Note: FY18 budget projections assume no change to FY17 rates, and enrollment as of December 2016.  
FY19 and beyond costs projected assuming 6% annual health care trend and no further program changes.

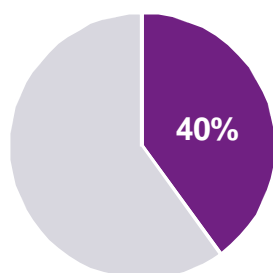
## Does your organization provide financial incentives (rewards or penalties) to encourage participation or use of these services?

	Use Rewards	Use Penalties	Offer Program But No Incentives
<b>Worksite Wellness and Screenings</b>			
Health risk assessment/appraisal	55%	7%	22%
Worksite biometric screening	47%	8%	18%
Onsite vaccinations	12%	1%	73%
Onsite or nearsite health clinic	4%	0%	27%
Onsite healthy lifestyle coaching in at least one location	10%	0%	26%
Worksite diet/exercise activities	20%	0%	54%
Well-being fairs at some/all locations	9%	0%	64%
<b>Lifestyle Change and Health Management</b>			
Web-based/mobile lifestyle behavior coaching programs	17%	0%	39%
Telephonic lifestyle behavior coaching programs	25%	0%	45%
Weight management programs	27%	1%	53%
Tobacco-cessation programs	32%	9%	48%
Stress or resilience management	14%	0%	52%
Healthy sleep programs	7%	0%	28%
Chronic condition (disease) management programs	20%	0%	64%
Maternity support (pre- and post-delivery, child care resources)	22%	0%	58%
<b>Provider Access and Decision Support</b>			
EAP	4%	0%	94%
Telemedicine for professional consultations	4%	0%	41%
Expert medical/second opinion program	2%	0%	28%
Price/quality transparency tools	4%	0%	53%
Online information on demand	4%	0%	54%

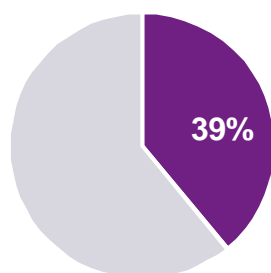
*Note: Based on all respondents.*

*Source: 2015/2016 Global [Staying@Work](#) Survey, United States*

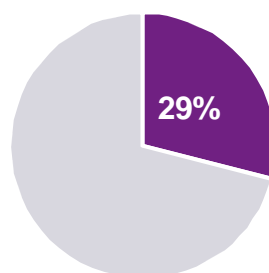
## Examples and prevalence of incentives



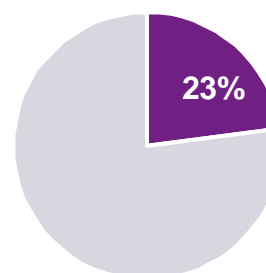
**Health insurance  
premium  
reductions**



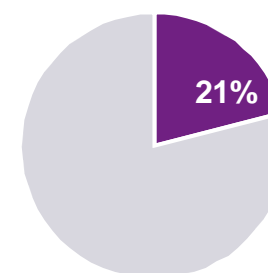
**Raffles/  
lucky draws**



**Cash**



**Gifts**



**Contributions to  
a HSA/HRA/FSA**

6%	Other (e.g., Gym Memberships)
5%	Reduced deductibles
4%	Vacation days/paid time off
4%	Reduced copayments
1%	Enhanced employer contributions to a retirement plan

Source: 2015/2016 Global [Staying@Work](#) Survey, United States

# Top ten behavioral economics precepts to optimize the effectiveness of incentive programs and employee communications

Precept		Brief Explanation	Healthcare Impact
1	<b>Scarcity</b>	We value things that have limited availability.	Compare “We now offer onsite coaches” to “Free onsite coaching sessions for the first 100 people to sign up.”
2	<b>Loss Aversion</b>	We hate losing or letting go of what we have (or could have).	People always object to benefit takeaways. Incentive example: “You are given \$100, but you will lose it if you don’t complete your HRA.” vs. “If you complete the HRA, you will earn \$100.”
3	<b>Certainty</b>	We crave certainty and uncertainty is an obstacle to action.	We will eat brownies now, but agree to eat fruit (or quit smoking) later.
4	<b>Optimism</b>	Optimism bias leads to successful lotteries, “Planning Fallacy,” and a world where everyone is above average	“I know smoking causes cancer, just not in me!” or “I will never develop diabetes” (e.g., I know my chances of winning a lottery are small, but lottery tickets are motivating!)
5	<b>Fairness</b>	We expect to be treated fairly and will hurt ourselves if necessary to punish those who treat us unfairly.	If the wellness challenge is skewed to the Marathon runners, then I will not participate.
6	<b>Default</b>	We often don’t make an active choice if there is a passive alternative.	Evidence of poor quality rarely leads to patients changing physicians or hospitals.
7	<b>Limited Choice</b>	Choices are easier to make when there are fewer options.	People do not “shop” on the Exchanges. They often stay where they are if there are too many options. (similar studies in 401ks).
8	<b>Anchoring</b>	We rely too heavily on an anchor (e.g., regular price vs. sale).	Expected cost is the anchor. Expected outcome is also an anchor – if someone expects to be treated poorly at a hospital, it is much easier to delight them!
9	<b>Story Telling</b>	We remember stories with narrative force.	Case studies and word of mouth marketing through your workforce enhances benefits perception; nay-sayers can crush momentum.
10	<b>Framing</b>	We experience value in context, rather than by independent value.	No one actually knows the value of most things so people need to have context (transparency tools). Also, consider 1% mortality vs. 99% survival rate.